Fiscal Estimate - 2011 Session

\boxtimes	Original		Updated		Corrected	d [Supp	lemental
LRB	Number	11-3141/1		Intro	duction l	Number	AB-04	07
		ual income tax	deduction for ce	rtain amou	nts paid for	sewer, wate	er, and gar	bage
Fiscal	Effect							
	No State Fisc Indeterminate Increase I Appropria Decrease Appropria Create Ne	e Existing tions Existing	Reven Decrea	ase Existing		Increase Co to absorb w XYe Decrease C	rithin agend es	
Local: No Local Government Costs Indeterminate 1. Increase Costs Permissive Mandatory 2. Decrease Costs Permissive Mandatory Permissive Mandatory Permissive Mandatory Permissive Mandatory Districts 5. Types of Local Government Units Affected Towns Counties Others School WTCS Districts								
Fund G	Sources Aff		PRS S	EG 🗌 S	Affec EGS	ted Ch. 20 A	Appropriat	tions
Agen	cy/Prepared	By	A	uthorized	Signature			Date
				ohn Koskin	hn Koskinen (608) 267-8973			

Fiscal Estimate Narratives DOR 12/15/2011

LRB Number	11-3141/1	Introduction Number	AB-0407	Estimate Type	Original		
Description Creating an individual income tax deduction for certain amounts paid for sewer, water, and garbage collection fees							

Assumptions Used in Arriving at Fiscal Estimate

This bill creates an income tax deduction for amounts paid by an individual for sewer, storm sewer, water, and garbage collection fees on his or her primary residence located in Wisconsin.

Using data from 2009 municipal and county finance forms, it is estimated that these fees were approximately \$1.37 billion in 2009, of which approximately \$782 million was residential. The average marginal rate for resident non-dependent filers in 2009 was 5.13%. Applying the average marginal rate, the bill is estimated to reduce revenue by \$40.1 million annually beginning in fiscal year 2013.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

Original Update	ed	Corrected		Supplemental		
LRB Number 11-3141/1		Introduction Num	ber 1	AB-0407		
Description Creating an individual income tax deduct collection fees	ion for cer	tain amounts paid for se	wer, wat	er, and garbage		
I. One-time Costs or Revenue Impacts annualized fiscal effect):	for State	and/or Local Governm	ent (do	not include in		
II. Annualized Costs:		Annualized Fiscal Impact on funds fro				
		Increased Costs		Decreased Costs		
A. State Costs by Category						
State Operations - Salaries and Fringe	s	\$	\$			
(FTE Position Changes)						
State Operations - Other Costs						
Local Assistance						
Aids to Individuals or Organizations						
TOTAL State Costs by Category		\$		\$		
B. State Costs by Source of Funds						
GPR						
FED						
PRO/PRS						
SEG/SEG-S						
III. State Revenues - Complete this onl revenues (e.g., tax increase, decrease			r decrea	se state		
		Increased Rev		Decreased Rev		
GPR Taxes		\$		\$-40,100,000		
GPR Earned						
FED						
PRO/PRS						
SEG/SEG-S			·			
TOTAL State Revenues		\$		\$-40,100,000		
NET AN	NUALIZE	D FISCAL IMPACT				
		<u>State</u>		Local		
NET CHANGE IN COSTS		\$		\$		
NET CHANGE IN REVENUE		\$-40,100,000		\$		
A non out Dromound Drom	A	avinad Cinnatana		ln.:		
Agency/Prepared By	Auth	orized Signature		Date		
DOR/ Bradley Caruth (608) 261-8984	John	Koskinen (608) 267-897	12/15/2011			